

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re

SILVERSIDE SENIOR LIVING,
LLC, et al.,¹

Debtors.

Case No. 21-44887

Chapter 11
Hon. Lisa S. Gretchko
Jointly Administered

**STIPULATION TO ENTRY OF ORDER RESOLVING MOTION
OF CHIPPEWA VALLEY, LLC TO COMPEL PAYMENT OF
POST-PETITION LEASE OBLIGATIONS OR,
ALTERNATIVELY, REJECTION OF LEASE**

Chippewa Valley, LLC (“Chippewa”) and Silverside Senior Living, LLC f/k/a ACM Senior Living, LLC and Graceway South Haven, LLC (collectively, the “Debtors”), by and through their undersigned counsel, stipulate as follows:

1. Chippewa filed the *Motion of Chippewa Valley, LLC to Compel Payment of Post-Petition Lease Obligations or, Alternatively, Rejection of Lease* (the “Motion”)² on July 22, 2021 seeking, among other relief, rejection and termination of the Lease;

2. Chippewa and the Debtors have reached a resolution of certain disputes

¹ The debtors in these jointly administered proceedings along with the last four digits of their respective federal tax id numbers are Silverside Senior Living, LLC (2357) [Case No. 21-44887-lsg] and Graceway South Haven, LLC (9393) [Case No. 21-44888-lsg].

² Capitalized terms not otherwise defined herein shall have the meaning given to them in the Motion.

between themselves, including the rejection and the termination of the Lease, as set forth herein and in the proposed order attached hereto as **Exhibit 1**.

3. The Debtors acknowledge that Chippewa has a perfected, choate, first priority security interest and lien on that certain employee retention credit that the Debtors expect to receive for 2020 and for the first and second quarters of 2021 (the “Collateral”).

4. The Debtors and Chippewa consent to the filing of a chapter 11 plan of liquidation (the “Plan”) by the Debtors that acknowledges Chippewa’s perfected, choate, first priority lien (“Chippewa’s Perfected Lien”) on the Collateral, and provides for a carve out from the Collateral solely for purposes of paying: (i) up to \$125,912.49 in priority wage claims asserted against the Debtors’ estates, and (ii) up to \$70,000 in professional fees incurred by the professionals retained by the Debtors in these chapter 11 cases, the subchapter V trustee and the health care ombudsman (the “Carve Out”). The Plan shall provide that the first funds received from the Collateral will be used to satisfy the Carve Out, with the balance being paid to Chippewa on account of Chippewa’s Perfected Lien.

5. Although Chippewa consents to the Plan terms set forth in the preceding paragraph, Chippewa reserves its right to object to the Plan on any grounds other than as set forth therein.

WHEREFORE, Chippewa and the Debtors respectfully request that the Court entered the proposed order attached hereto as **Exhibit 1**.

Respectfully submitted by,

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Dated: September 8, 2021

Exhibit 1
(Proposed Order)

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re

SILVERSIDE SENIOR LIVING,
LLC, et al.,¹

Debtors.

Case No. 21-44887

Chapter 11
Hon. Lisa S. Gretchko
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**ORDER RESOLVING MOTION OF CHIPPEWA VALLEY, LLC TO
COMPEL PAYMENT OF POST-PETITION LEASE OBLIGATIONS OR,
ALTERNATIVELY, REJECTION OF LEASE**

Chippewa Valley, LLC (“Chippewa”) having filed the *Motion of Chippewa Valley, LLC to Compel Payment of Post-Petition Lease Obligations or, Alternatively, Rejection of Lease* (the “Motion”)²; notice of the Motion being sufficient; no objections to the Motion having been timely filed other than the objection filed by Silverside Senior Living, LLC f/k/a ACM Senior Living, LLC and Graceway South Haven, LLC (collectively, the “Debtors”); Chippewa and the Debtors having filed the *Stipulation to Entry of Order Resolving Motion of Chippewa Valley, LLC to Compel Payment of Post-Petition Lease Obligations or, Alternatively, Rejection of Lease* requesting entry of this Order; and the relief set

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² Capitalized terms not otherwise defined herein shall have the meaning given to them in the Motion.

forth herein being appropriate;

IT IS HEREBY ORDERED THAT:

1. Effective upon the entry of this Order, the Lease shall be deemed rejected pursuant to section 365(d)(2) and is hereby terminated without further notice required.

2. Notwithstanding the rejection and termination of the Lease, the Debtors, upon reasonable notice to Chippewa, shall have until September 24, 2021 to remove any resident/patient records located in the Premises.

3. For the avoidance of doubt, Chippewa's right to request allowance and payment of an administrative expense against the Debtors' estates, if any, is hereby preserved, as is the Debtors' right to object to any such request.

4. For the avoidance of doubt, the Debtors' right to seek to surcharge of any collateral of Chippewa pursuant to section 506(c), if any, is hereby preserved, as is Chippewa's right to object to any such request.

5. The automatic stay is hereby modified pursuant to section 362(d) to the extent necessary to effectuate the relief provided herein. The stay contemplated in Bankruptcy Rule 4001(a)(3) is waived.

6. The Court shall retain jurisdiction over all matters related to the implementation of this Order.